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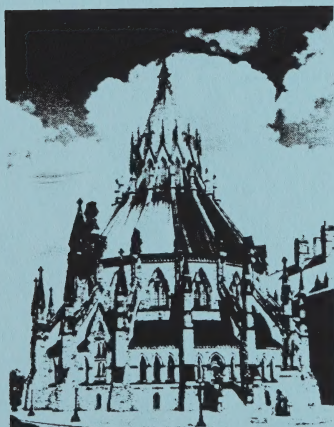
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# SOCIAL SUPPORT FOR ONE-PARENT FAMILIES

Maureen Baker

Political and Social Affairs Division  
Research Branch  
Ottawa

May 1985



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BACKGROUND PAPER FOR PARLIAMENTARIANS

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SOCIAL SUPPORT FOR ONE-PARENT FAMILIES

INTRODUCTION

In recent years, there has been considerable concern about rising numbers of one-parent families and the resulting burden on the taxpayer of assisting these often poor families. Yet in comparison to earlier years of this century, the percentage of one-parent families of all families has actually declined. While 13.6% of all families were headed by only one parent in 1931, this figure fell to 11.3% in 1981.<sup>(1)</sup>

Table 1

Percentage of One-Parent Families of  
Total Families in Canada, 1931-1981

1931	13.6%
1941	12.2%
1951	9.9%
1961	8.4%
1971	9.4%
1981	11.3%

Source: Statistics Canada, Canada's Lone-Parent Families, Ottawa (Cat. 99-933), 1984.

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(1) Statistics Canada, Canada's Lone-Parent Families, Ottawa, 1984, Catalogue No. 99-933.

In the earlier part of the century, life expectancies were shorter and more parents died while their children were young. Children also lived with their parents until marriage whereas now they often live on their own before they marry. As life expectancies increased and children left home earlier, the proportion of one-parent families decreased to 8.4% of all families in 1961. But since 1966, the percentage has increased again due to rising rates of separation and divorce and more unmarried mothers choosing to raise their children alone. Although the birthrates among unmarried mothers are falling, like the birthrate among all women, fewer unmarried mothers are allowing their babies to be adopted. More liberal attitudes, greater opportunities to be self-supporting and improved government benefits have encouraged this trend.

Before World War II, lone parents did not always try to remain a family unit. Young widows and widowers sometimes returned home to parents or other relatives. Unmarried mothers usually gave up their children for adoption. Poor deserted wives or widows sometimes had their children temporarily or permanently placed in an institution or foster home or had them adopted. But now government benefits and agency policies encourage single parents to live independently and to care for their own children.

Because Statistics Canada calculates the rate of one-parent families of all families (including those with no children or no dependent children), the incidence appears lower than it actually is. If those families without children are excluded and we look at only families living with their children, 16.5% are officially one-parent families.<sup>(1)</sup> However, even this figure is likely to be low because the government is unaware of many separations that have not been legalized.

One-parent families are most often headed by women. In 1981, continuing the past trend, mothers headed 82.6% of one-parent families.<sup>(2)</sup>

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(1) J.-A. Boulet and Laval Lavallée, The Changing Economic Status of Women, Economic Council of Canada, Ottawa, 1984, p. 39.

(2) Statistics Canada, Canada's Lone-Parent Families, Ottawa, 1984.



Unmarried fathers have neither been legally entitled to their children nor have many tried to gain custody. Divorced or separated fathers seldom tried to keep their children in the past, as well. Popular ideas that young children were better off with their mother who had "maternal instincts" supported this trend. When divorced fathers got custody of their children in the past, it was usually because the mother was considered incapable of caring for them for medical, psychiatric or moral reasons. Both widowed and divorced fathers have been more likely to remarry than their female counterparts, leaving more lone-parent families headed by women.

Despite the suggestion in the media that more fathers are now heading one-parent families, there is little evidence for this claim. In 1971, 15.2% of children of divorced parents went to the father. In 1983, the percentage was 15.7% as Table 2 indicates. Despite this very small increase, more unmarried mothers are keeping their children. Table 3 shows that only about 17% of one-parent families are headed by men.

Table 2

Divorced with Dependent Children by  
Parties to Whom Custody was Granted

	<u>Husband</u>	<u>Wife</u>	<u>Other</u>	<u>No Award</u>
1971	15.2	74.2	0.4	10.1
1976	15.0	78.9	0.4	5.7
1980	16.0	78.2	0.2	5.5
1983	15.7	74.9	0.2	9.1

Source: M. Eichler, Families in Canada Today, Recent Changes and Their Policy Consequences, Gage, 1983, p. 215; Statistics Canada, Marriages and Divorces, Cat. 84-205, calculated from p. 16, Table 10, 1983.

Table 3One-Parent Families by Sex of Head

	<u>All Lone- Parent Families</u>	<u>Percent Male Lone- Parent Families</u>	<u>Percent Female Lone- Parent Families</u>
1971	470,605	21.2	78.8
1976	559,330	17.0	83.0
1981	714,005	17.4	82.6

Source: Calculated from Statistics Canada, Census of Canada.

Separation and divorce have contributed substantially to the marked increase in recent years of one-parent families. However, because three-quarters of divorced men and two-thirds of divorced women eventually remarry, divorce for most people is a temporary marital status. But for women, the probability of remarriage declines with her increasing age and with the number of dependent children. As the divorce rate rises, more young women with dependent children are left to support themselves and it is this group of one-parent families about which social agencies and governments are most concerned. Because more lone mothers are now separated, divorced or never-married (rather than being widowed), they tend to be younger than in previous decades.<sup>(1)</sup> This means that increasing numbers of young women are solely responsible for nurturing, rearing, socializing and educating dependent children in their formative years.

**POVERTY AMONG LONE-PARENT FAMILIES****A. Paid Work**

The economic problems of lone-parent families are complex but generally relate to the fact that most of these families are headed by

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(1) Statistics Canada, Canada's Lone-Parent Families, Ottawa, 1984.



women. Even when they are in the labour force full-time, women on average make only two-thirds of the wage earned by men. In addition to this, women are more likely than men to work part-time (26% compared to 7%), to receive fewer fringe benefits, to experience more employment insecurity and higher unemployment rates. When women are solely responsible for supporting the family, they are not able to fare as well as men. Consequently they often need to rely on government assistance, loans, child support and maintenance payments.

In 1983, the average income of lone-parent families with a female head was \$17,585. The same type of family headed by a male had an average income of \$27,495. This can be compared to \$39,554 that a husband-wife family with children had in that year.<sup>(1)</sup> Since more than half of married women are now in the labour force, most husband-wife families are two-earner families. Living on one income puts a family at a financial disadvantage, especially if the earner is female.

The poverty of separated or divorced one-parent families can also be explained by the lack of financial support from the non-custodial spouse. In all Canadian jurisdictions, high rates of default on maintenance orders are common. Existing statistics indicate that between 50% and 85% of maintenance orders are in default, and many of them are substantially behind in payment.<sup>(2)</sup> In 1981 a Federal-Provincial Committee was established to identify ways of improving the enforcement of support payments, as well as custody and access to children. In its final report the Committee on Enforcement of Maintenance and Custody Orders in Canada (June 1983) recommended that a central registry be created in which all maintenance and custody orders would be filed. Another recommendation was that governments should release information which would help locate absconding spouses.<sup>(3)</sup>

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(1) Statistics Canada, Income Distribution by Size in Canada, Cat. 13-207, Ottawa, March 1985, p. 55.

(2) Eve Finnbogason and Monica Townson, The Benefits and Cost-Effectiveness of a Central Registry of Maintenance and Custody Orders, Ottawa, Status of Women Canada, March 1985, p. 1.

(3) Mildred J. Morton, "Divorce, Custody, Support, Enforcement: Transferring and Sharing Jurisdiction," Research Branch, Library of Parliament, Current Issue Review 81-13E, January 1985.

Several provinces have attempted to tighten up their enforcement systems, but only Manitoba has automatic enforcement. The other provinces leave the onus on the woman to set the collection procedures in motion when the cheque does not arrive. This can be an expensive, time-consuming and emotionally-draining process. If the mother delays too long in trying to recover the money owed to her and her children, judges are often reluctant to grant arrears.

Child support is, however, awarded to only about one-third of separated and divorced women with children.<sup>(1)</sup> This may be because the issue has been settled privately without legal intervention, because the children are too old, the non-custodial parent has no money or because the custodial parent does not choose to ask for money. Many women realize the problems involved in enforcing maintenance and wish to avoid the aggravation, regardless of financial need. Even when it is paid fully and regularly, maintenance is usually inadequate to support dependent families. Courts typically order men to pay 20 to 40% of their net income for maintenance.<sup>(2)</sup> This may be much less than what they were paying to maintain their family when they were married. When she does receive child support, a single parent must pay taxes on this money while the non-custodial and usually wealthier parent can deduct his payments from his income tax.

Because of inadequate enforcement techniques, many parents are able to get away with non-payment of maintenance orders. In Manitoba, 75% of maintenance orders were in default in 1975. By 1983, after three years of automatic state enforcement, 85% of maintenance orders were being collected.<sup>(3)</sup> In Manitoba, payments are made through the court office and court staff record whether the payments have been made. Regular computer printouts show who is in default, and action is automatically taken against them to secure payment.<sup>(4)</sup> The wife is not required to hire a

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(1) Jac-André Boulet and Laval Lavallée, The Changing Economic Status of Women, Economic Council of Canada, Ottawa, 1984, p. 39.

(2) Finnogason and Townson, p. 14.

(3) Ibid., p. 29.

(4) Ibid., p. 168.



lawyer, locate her spouse, prove default or take any of the other expensive, time-consuming or complex steps which remain necessary in most jurisdictions. If other provinces adopted such procedures, they might find that this program would be financially worthwhile for the government as well as the mother and children involved. If parents were forced to support their own children, social service costs would be lower.

### B. Child Care Costs

The lack of formal government subsidized child care adds to the poverty of lone-parents. For parents of either sex, child care is a necessity if the parent is working outside the home or attending school. Although the Canada Assistance Plan provides federal government money to be shared with provincial money for day care for those in financial need and for single parents, day care centres and supervised homes may not be available in the area where the family lives. In certain provinces, day care spaces per 1,000 children under six are considerably lower than in other provinces (e.g., Newfoundland and New Brunswick are the lowest).<sup>(1)</sup> Informal day care (i.e., by a sitter) is not subsidized by the government and often does not provide the parent with receipts which can be used as tax deductions. (\$2,000 per child up to \$8,000 can be deducted from the 1984 income tax for child care expenses.) Although sitters are among the lowest paid workers in the country, many lone-mothers are unable to afford the cost. For some, it is cheaper to go on welfare if subsidized child care is unavailable.

### C. The Welfare Alternative

Considering that the average income for a female single parent in 1983 was \$17,585 (compared to \$27,495 for a male-headed one-parent family), by the time a mother pays for day care and daily living expenses there may be little left over. Going out to work costs more than doing

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(1) Maureen Baker, "Child Care Services in Canada," Background Paper 122E, Research Branch, Library of Parliament, 7 March 1985.

housework at home because work clothing, transportation and child care must be purchased. The decision of whether or not to stay home, care for her own children and live on government benefits generally relates to a mother's earning power. Those with low education and training who would receive close to the minimum wage would be least likely to see employment and paid child care as a viable alternative.

However, the welfare option involves high costs for both mothers and the government. Decreased contact with the outside world may reduce her employability in the future, cause loneliness and depression, and reduce the chances of meeting a new partner. Living on welfare or on a low income appears to discourage high achievement in school by children in one-parent families and to reduce their future chances of employment and financial self-sufficiency. Low income one-parent mothers often experience disciplinary problems with their children because of their own feelings of inadequacy and frustration.

Recent studies on the effects of divorce on children tend to emphasize the negative consequences of poverty more than other factors such as lack of a male role model. The fact that so many children live with single-parent mothers, and that single-parent mothers frequently live below the poverty line seems to be at the root of many of the emotional and school-related behavioural problems of children of divorced parents.<sup>(1)</sup>

## SOCIAL PROGRAMS FOR ONE-PARENT FAMILIES

### A. Early Programs

Prior to the First World War, widows, unmarried or deserted mothers experiencing financial difficulty relied on provincial or municipal governments, charitable organizations or relatives. By the end of the First World War, federal legislation provided pensions for war widows and provincial legislation gave benefits to mothers with dependent children. Manitoba was the first province to introduce such legislation in 1916.

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(1) Margrit Eichler, Families in Canada Today, Gage, Toronto, 1983, p. 217-219; Maureen Baker (ed.), The Family. Changing Trends in Canada, McGraw-Hill Ryerson, Toronto, 1984, p. 97.



The fact that women had won the federal franchise in 1917-1918 (and the provincial vote from 1916 to 1925<sup>(1)</sup>) may have been responsible for the legislation in the 1920s assisting mothers in need. The most generous provincial program was British Columbia's Mothers' Pension Act, giving assistance to deserted wives and women whose husbands could not support them. However, it required that the applicant be of "good character."<sup>(2)</sup>

During the 1930s Depression, one-parent families comprised about 14% of all families (compared to 11% in 1981), yet the federal government offered no special benefits when these families were in need. However, some federal benefits were provided for all families. In 1918, child tax exemptions had been introduced, with \$200 for each child under 16. By 1927, the exemption was increased to \$500, but was reduced during the Depression to save government money. From 1944 to 1946, tax exemptions were abandoned in favour of a non-refundable tax credit of \$80 per child. Tax exemptions began again in 1947 but the child tax credit was not reintroduced until 1978.<sup>(3)</sup>

#### B. Family Allowance

In 1945, the federal government began to pay family allowance benefits to mothers of children under 16. Over the years, the amount of money has been increased and reduced several times but in 1985 it amounted to \$31.27 per child per month with variations in this amount in Quebec and Alberta.<sup>(2)</sup> Up to age 18, children are now eligible for this benefit, and the money is paid directly to the mother (or father lone-parent).

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(1) Except Quebec, which gave women the provincial vote in 1940.

(2) Eichler, p. 307.

(3) Child and Elderly Benefits Consultation Paper, January 1985, p. 17-19.

(4) Ibid., p. 10.

Since family allowance benefits are taxable, those with no taxable income would retain more money. However, the benefits have been paid to the mother while the father has most often been the taxpayer in a two-parent family. In a one-parent family, the mother receives the benefits and pays the taxes. Therefore the one-parent mother with a taxable income benefits less than a housewife mother in a two-parent family from this universal payment.

### C. Canada Assistance Plan

Although the provision of social services in Canada falls within provincial jurisdiction, the federal Canada Assistance Plan (CAP) was introduced in 1966. This program shares with the provinces the costs of mothers' allowances, child welfare support, certain health care services for those in need and programs designed to remove causes of dependency, such as day care and counselling. Through CAP, the federal government can encourage the development of social programs in disadvantaged areas and can indirectly influence provincial welfare programs.<sup>(1)</sup>

Every province has different welfare regulations. In Ontario, single mothers may receive Family Benefits if they are raising children. But if they are living with a man, it is assumed that he will be supporting her and the children. An analysis of one-parent families with low incomes by the National Council of Welfare has revealed that welfare payments for those in need generally do not cover the cost of living. In 1979, they recommended that welfare payments at least equal Statistics Canada's poverty lines and that adequate income supplementation programs be made available to all working poor. In addition, they argued that all provincial welfare programs should be indexed to the cost of living.<sup>(2)</sup> If social assistance is available to mothers, it should be equally available

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(1) Helen McKenzie, "Federal Social Security and Social Welfare Legislation in Canada," Research Branch, Library of Parliament, Ottawa, 1984 (BP-93E), p. 19.

(2) National Council of Welfare, Women and Poverty, Ottawa, 1979, p. 47.

for fathers heading one-parent families. However, a smaller proportion of father-headed one-parent families are in financial need.

#### D. Tax Breaks

In a one-parent family, the Equivalent to Married Exemption can be used for one child. In 1984 this amounted to a tax exemption of \$3,470 from the parent's taxable income for one child living with and supported by the parent. Additional children are covered under the lower Child Tax Exemption, which was \$710 for children under 18 and \$1,360 for dependent children 18 to 21 in 1984.

As in all families, parents can deduct a maximum of \$8,000 or \$2,000 a child if they can produce child care receipts. This is considered by some to be an employment deduction, since it requires the parent to be in the labour force. The mother who stays home with her children cannot benefit from this deduction, except in the province of Quebec.<sup>(1)</sup>

#### CONCLUSION

During the 1970s, the incidence of one-parent families grew by 25%, so that one out of six families has only one parent in the household.<sup>(2)</sup> While many of the children involved in divorced families retain regular contact with the other parent, the fact remains that these families are usually existing on one income. In 83% of cases, the mother heads a one-parent family and her ability to support her children is severely restricted by lack of employment equity, defaults on maintenance payments, the lack of subsidized child care, and low amounts of social assistance.

Since most one-parent families now originate from separation and divorce, one logical way to improve the economic status of the family at

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(1) House of Commons, Standing Committee on Health, Welfare and Social Affairs, Report on Child and Elderly Benefits, Ottawa, April 1985, p. 10.

(2) Boulet and Lavallée, p. 39.



a relatively low cost is to improve enforcement techniques for maintenance payments. This has been done in several provinces, but seems to be most effective in Manitoba.

Another possible solution to the poverty of one-parent families is to seriously and systematically attempt to improve women's status in the labour force. Employment equity policies may cause more paperwork for employers but would lessen the need for vast amounts of social assistance money for dependent women. More subsidized child care would encourage single-parent mothers to enter the labour force and attempt to be self-supporting. Living on welfare is costly to governments but also to the self-esteem and opportunities of mothers and their children.

Although the official rate of one-parent families has not yet reached the 1930s level, the increase since the 1960s has been considerable. The rising rate of one-parent families must be considered in making policy decisions about family benefits, social assistance and child care facilities. Allowing children to live in low-income families may have unanticipated consequences more costly than the various schemes to improve the economic status of one-parent families.

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- (7) House of Commons Standing Committee on Health, Welfare and Social Affairs, Report on Child and Elderly Benefits, Ottawa, April 1985.
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- (10) National Council of Welfare, One in a World of Two's, Ottawa, 1976. (Br. V. HV700/C2/A35)
- (11) National Council of Welfare, Women and Poverty, Ottawa, 1979.
- (12) Statistics Canada, Canada's Lone-Parent Families (Cat. 99-933), Ottawa, 1984. (Br. V. HA741/1981/A8/A19)















